

Meeting of 2006-1-24 Regular Meeting

MINUTES  
LAWTON CITY COUNCIL REGULAR MEETING  
JANUARY 24, 2006 - 6:00 P.M.  
WAYNE GILLEY CITY HALL COUNCIL CHAMBER

Mayor John P. Purcell, Jr.                      Also Present:  
Presiding                      Larry Mitchell, City Manager  
   John Vincent, City Attorney  
   Traci Hushbeck, City Clerk

Mayor Purcell called the meeting to order at 6:00 p.m. Notice of meeting and agenda were posted on the City Hall notice board as required by law. Invocation was given by the Pastor Leonard Reimer, Faith Bible Church, followed by the Pledge of Allegiance.

ROLL CALL

PRESENT:                      Bill Shoemate, Ward One  
Rex Givens, Ward Two

Janice Drewry, Ward Three  
Keith Jackson, Ward Four

Robert Shanklin, Ward Five  
Jeffrey Patton, Ward Six  
   Stanley Haywood, Ward Seven  
   Randy Warren, Ward Eight

ABSENT: None

AWARD OF COMMENDATION TO BEN MERAZ AND WILLIE MARTINEZ.

Master Officer James Poindexter, Lawton Police Department, stated he would like to bring recognition to two gentlemen who have worked tirelessly to raise money for tasers for the Lawton Police Department. He introduced Ben Meraz and Willie Martinez. He stated they have raised a total of \$30,000 in two years. The Lawton Police Department has purchased 38 tasers.

Mayor Purcell stated that if not for the efforts of these two gentlemen, he believes that Lawton Police Officers would not have tasers. It makes the officers and the citizens of Lawton safer. The officers now have another tool to use other than deadly force. Mayor Purcell presented each with a Mayor's Award of Commendation Certificate.

Officer Poindexter read a statement from Mr. Meraz thanking all those donors who assisted with the fundraisers and committee members.

PRESENTATION OF OKLAHOMA MUNICIPAL LEAGUE HONOR ROLL OF SERVICE.

Mayor Purcell introduced Larry Thoma, Mayor of Elgin and President of the Oklahoma Municipal League. Mayor Purcell and Mayor Thoma presented certificates and 25 year service pins to the following employees: Thomas Jones, Charles Kerr, Scott Warren, James Davis, Bruce Lefebvre, Michael Dudley, Morris Sanders, Jimmy Blake, Roger Andrews, Janina Webster, Curtis Welch (35 years), Jarold Woods, Allan Barber, Charles Liming, Pat Woodall, Mark Durham and James Apple.

Mayor Thoma stated he appreciated the service of these employees and the great friendship between the City of Lawton and the Oklahoma Municipal League.

PRESENTATION OF EMPLOYEE OF THE MONTH TO HA VU, AUDITING TECHNICIAN IN THE AUDITING DIVISION OF ADMINISTRATIVE SERVICES DEPARTMENT.

Jill Baker, Auditor, stated it has been a blessing to work with Ha since she has started with the City of Lawton. Ha is very dedicated to her position and the City of Lawton. She most recently completed work with the United Way 2005 campaign, which is a volunteer service.

Mayor Purcell presented a plaque, certificate of honor, two days of nonchargable leave, script money from

Chamber merchants and a Mayor s Do What s Right coin.

## PRESENTATION TO THE LAWTON SOUTHWEST MEDICAL RESERVE CORP

Bob Stewart, Emergency Medical Response Coordinator for Southwest Oklahoma, stated the Lawton Southwest Medical Reserve Corp has worked diligently over the past year to build up a core group of members. That group is being recognized by the Oklahoma State Department of Health for their work in Operation Firework Fanfare. He stated they started over a year ago with 50 members and now they have over 500 people enrolled in the program.

There are three active chapters in Lawton, Chickasha and Ardmore. Mayor Purcell and Jillian Bradshaw, Oklahoma State Health Department, presented the award to members.

AUDIENCE PARTICIPATION: None.

## CONSIDER APPROVAL OF MINUTES OF LAWTON CITY COUNCIL MEETINGS OF DECEMBER 13 AND DECEMBER 20, 2005.

MOVED by Jackson, SECOND by Drewry, to approve the Minutes of December 13 and December 20, 2005. AYE: Givens, Drewry, Jackson, Shanklin, Patton, Haywood, Warren, Shoemate. NAY: None. MOTION CARRIED.

CONSENT AGENDA: Mayor Purcell requested item #4 be stricken from the agenda and item #1 be considered separately.

MOVED by Shanklin, SECOND by Warren, to approve the Consent Agenda items as recommended with the exception of item 1. AYE: Drewry, Jackson, Shanklin, Patton, Haywood, Warren, Shoemate, Givens. NAY: None. MOTION CARRIED.

1. Consider the following damage claims are recommended for denial: Jamie Ulm in the amount of \$531.67, Valeria Brooks in the amount of \$40.00, Terry L. Jones in the amount of \$1,890.00 and Southwestern Bell Telephone L.P. in the amount of \$217.87. Exhibits: Legal Opinions/Recommendations.

Terry Jones, 1908 SW 24<sup>th</sup> Street, stated he purchased the property at 121 NE Arlington Drive in June 2004. He stated in September 2004 he had a problem with no water pressure. The City came out and found the problem with the property across the street. A pipe had busted in that yard. The City dug up the yard across the street and removed the curbing from that area. In May 2005 he rented the house out and on May 9<sup>th</sup>, his tenants had a problem. He called a plumber who fixed the problem. In September 2005, the City came out and began to dig up the road and remove the concrete. When they did this, the sewage from his property started running inside the house. He called a plumber who told him there was a problem with the riser where the city was digging. At that time he called the City and they found out the riser was only about two feet down. He claimed that when the City dug up the street they knocked his riser off.

Haywood stated he will have a conflict of interest with this claim. He has known Mr. Jones all his life.

Vincent referred to the photos in the agenda packet. He stated the primary reason for the denial is that he feels the City did not dig deep enough during the street excavation. He stated there is a water line that sits above the sewer line and the pictures show that the water line was not touched. The City only goes deep enough to replace the concrete.

Shanklin stated there is no way they could disturb that sewer line if they did not break the water line. He wants to help all that he can, be he believes the City is not at fault.

MOVED by Shanklin, SECOND by Shoemate, to deny the claim of Terry L. Jones. AYE: Jackson, Shanklin, Patton, Shoemate, Givens, Drewry. NAY: Warren. ABSTAIN: Haywood. MOTION CARRIED.

MOVED by Givens, SECOND by Patton, to deny the claims of Jamie Ulm, Valeria Brooks and Southwestern Bell Telephone L.P. AYE: Shanklin, Patton, Haywood, Warren, Shoemate, Givens, Drewry, Jackson. NAY: None. MOTION CARRIED.

2. Consider adopting a resolution ratifying the action of the City Attorney in filing and making payment of the judgment in the Workers Compensation case of Donald Pestun in the Workers Compensation Court, Case No. 2004-16408-J. Exhibits: **Resolution No. 06-25**.

3. Consider approving contracts for School of the Arts Spring 2006 Semester for Steven Scott Smith (\$630), Sherri Denning (\$630), Shana M. Shriver (\$315), and Natalie Sklaney (\$315) faculty members for the project. Total amount for spring semester stipends is \$ 1,890.00. Exhibits: Contracts are on file in the City Clerk s Office.

4. Consider approving and authorizing the Mayor to sign the attached three year maintenance contract with Stratus Technologies at \$10,596.00 per year for the E-911, Computer Aided Dispatch server. Exhibits: Maintenance contract between Stratus Technologies and the City of Lawton.

This item was stricken.

5. Consider authorizing acceptance of the 2005 Target Hardening Grant from the Oklahoma Department of Homeland Security. Exhibits: OKOHS Approved Critical Assessment Sheet.
6. Consider adopting a Resolution in Support of funding for the Financial Assistance Program, which enables the Oklahoma Water Resources Board (OWRB) to make grants and low-interest loans for water and sewer projects, and authorizing the Mayor and City Clerk to execute the necessary documents. Exhibits: **Resolution of Support 06-26**, Letter from ASCOG dated January 4, 2006 and OML Resolution of Support adopted December 14, 2005.
7. Consider approving a resolution requesting the Oklahoma Department of Transportation (ODOT) to fund the NW 67<sup>th</sup> Street (Cache Road to Rogers Lane US 62) Project under the Small City Federal Aid Program administered by the ODOT Local Government Division. Exhibits: **Resolution No. 06-27**.
8. Consider approving a resolution requesting the Oklahoma Department of Transportation (ODOT) to fund the SE 45<sup>th</sup> Street (Lee Boulevard (SH7) to Gore Boulevard) Project under the Small City Federal Aid Program administered by the ODOT Local Government Division. Exhibits: **Resolution No. 06-28**.
9. Consider an amendment to the Revocable Communication Cable Permit with Indian Nations Fiberoptics, Inc., modifying the routing description of Phase V. Exhibits: Revocable Communication Cable Permit is on file in the City Clerk s Office.
10. Consider accepting sanitary sewer and storm sewer improvements, maintenance bond, and easement located at SW Sheridan Road and Bishop Road to serve Bishop School. Exhibits: Location Map. Maintenance Bond is on file in the City Clerk s Office.
11. Consider approving the record plat for Dove Creek Addition, Part 1A, and accepting the improvements, maintenance bonds, escrow agreement in lieu of completed minor improvements, easements outside the platted area, and money in lieu of park land dedication. Exhibits: Plat Map. Maintenance Bonds, Escrow Agreement and Easements are on file in the City Clerk s Office.
12. Consider approving the record plat for Willoughby Acres. Exhibits: Plat Map.
13. Consider acknowledging receipt of two permits from the Oklahoma Department of Environmental Quality for the construction of 4,700 linear feet of eight (8) inch PVC gravity sewer line and 2,645 linear feet of eight (8) inch PVC potable water line and all appurtenances to serve the Wyatt Village Addition located in the NE/4 of Section 31, T-2-N, R-12-W, Comanche County, Oklahoma. Exhibits: Permits to Construct are on file in the City Clerk s Office.
14. Consider approving a Resolution decreasing the petty cash account for the City of Lawton Solid Waste Disposal Division. Exhibits: **Resolution No. 06-29**.
15. Consider accepting the 2005 CIP Waterline Replacement Project #2004-3 as constructed by ML Young Construction Corporation and placing the Maintenance Bond into effect. Exhibits: None.
16. Consider awarding (CL06-027) Pipe Bursting Equipment: Item 1 7 Pneumatic Pipe Bursting Tool to TT Technologies of Aurora, Illinois. Item 2 8 Pneumatic Pipe Bursting Tool to TT Technologies of Aurora, Illinois. Item 3 8 Air Impactor Pipe Bursting Tool to Vermeer Great Plains of OKC, Oklahoma. Item 4 12 Air Impactor Pipe Bursting Tool to Vermeer Great Plains of OKC, Oklahoma. Item 5 Not to be awarded Item 6 Used 400 CFM Class Portable Air Compressor to Vermeer Equip. of Irving, Texas. Exhibits: Abstract of bids and department recommendation.
17. Consider awarding (CL06-031) Sodium Hydroxide to Brenntag Southwest of Sand Springs, Oklahoma. Exhibits: Abstract of bids and department recommendation.
18. Consider awarding (CL06-033) Sulfuric Acid to Brenntag Southwest of Sand Springs, Oklahoma. Exhibits: Abstract of bids and department recommendation.
19. Consider approving appointments to boards and commissions. Exhibits: None.
20. Consider approval of payroll for the periods of December 19, 2005 January 15, 2006. Exhibits: None.

OLD BUSINESS ITEM:

21. Consider the following damage claim recommended for denial: Shirley Crumpton and Ronnie Russell.

Exhibits: Supplemental Claims Memorandum/Recommendation.

Vincent stated this claim was tabled on December 13, 2005. The City Council requested further information. He referred to photos included in the agenda packet. He stated that all the work took place between the fences. The claimant may have had sprinklers damaged, but they would have been located on the easement.

MOVED by Drewry, SECOND by Jackson, to deny the claim of Shirley Crumpton and Ronnie Russell . AYE: Patton, Haywood, Warren, Shoemate, Givens, Drewry, Jackson, Shanklin. NAY: None. MOTION CARRIED.

Mayor Purcell requested the City Council strike item #29.

NEW BUSINESS ITEMS:

22. Consider accepting State Aid for Libraries grant of \$50,114.36 from the Oklahoma Department of Libraries for FY 2005-2006. Exhibits: State Aid agreement on file in the City Clerk s office.

Oklahoma State Representative Ann Coody presented a check for state aid in the amount of \$50,114.36 to David Snyder, Library Director. She stated this was \$5,000 more than was provided last year because the state legislature wanted to provide funds to reimburse for mileage expenses. She thanked everyone for the services that the Lawton Public Library provides for citizens in education, information and enjoyment.

Mayor Purcell thanked Representative Coody for taking the time to come and present the check.

MOVED by Givens, SECOND by Drewry, to accept the grant. AYE: Shanklin, Patton, Haywood, Warren, Shoemate, Givens, Drewry, Jackson. NAY: None. MOTION CARRIED.

23. Consider accepting a request from the Lawton Fort Sill Chamber of Commerce and Industry to extend the current contract with the City of Lawton through the end of the 2005-2006 fiscal year, June 30, 2006, and authorize the Mayor and City Clerk to execute the necessary documents; receive the semi-annual update of the hotel/motel tax funded activities for FY 2005-2006. Exhibits: Request letter from Dana Davis, Chamber of Commerce dated 1-16-2006 and current Lawton Fort Sill Chamber of Commerce Contract with the City of Lawton, dated July 26, 2005.

Hossein Moini, Chairman of the Lawton-Fort Sill Chamber, thanked the City of Lawton for working with the Chamber on various projects during the year. He stated with the passage of the Hotel/Motel Tax in December, the message is that the voters do support the work of the Chamber. He stated they are always there to answer any questions they may have.

Dana Davis, President of the Lawton-Fort Sill Chamber, stated it is very important for the Chamber to understand the demographics of the people visiting the Lawton-Fort Sill community. They want to know where they come from, the age group, and as many things as possible. This year they began the second Cash for Comments survey which began in October 2004 and ended in October 2005. The demographics were about the same as they were in 2002-2003. He stated there were no respondents that complained about the lack of information available on things to do in this community.

Staff has also been involved in various travel shows in Texas and Kansas. They have had the opportunity to promote the Tulsa Ballet performance in Lawton. He reported that they have completed an update of their website. They continue to promote the Discovery Trail and have also leased a bus wrap. The 2005 Amateur Softball Association Women s Class C tournament was held in Lawton in September and hosted two state softball tournaments in July. Sports promotion continues to be a key focus.

Wichita Mountain Classic Steer and Heffer Show attracted participants from eleven states. They have also provided financial assistance to the Lawton Rangers Rodeo.

Fort Sill continues to become an economic engine for this community. They continue to seek ways to improve the relationship and work on issues such as the successful BRAC outcome.

He reported they have reviewed the surveys regarding legislative issues and the Board has approved five issues to focus on during the upcoming legislative year. Those issues are tort reform, transportation, new incentives for existing business, education and taxes.

He reported that the 11<sup>th</sup> annual legislative reception is scheduled for February 27<sup>th</sup> at 5:00 p.m. in Oklahoma City. The annual trip to Washington, D.C. is scheduled for March 5-7. He stated the Chamber has completed the long range economic development strategic plan and has been presented to the community. They are moving forward on a vision plan for redevelopment of downtown. They will be prepared to share information with the general public sometime in late February or early April. They think that particular projects, when completed, will be over a \$200 million investment in the downtown area.

He stated jet service is still critical. They did receive a grant from the U.S. Department of Transportation of \$570,000, going with a \$100,000 cash match and significant in kind match from the community. The airline which was their first choice went into bankruptcy and they have contacted their consultant to determine when to meet with the company. They do believe that the airline is the best one for Lawton.

He reported that since the BRAC announcement, they have been investigating companies that could locate here that would have a relationship with the new missions. He believes that 9-12 companies will have to locate here because of their support of the new missions.

He reported that they were able to secure funding to obtain 320 acres in the Lawton Industrial Park. They are in the process of developing strategies and plans for infrastructure.

Shanklin questioned the validity of the \$200 million downtown redevelopment investment.

Davis stated it was very valid. They have had developers knocking on their door for one component which is about \$125 million. They have actually been putting them off because they wanted to make sure they went through the process to make sure whatever they built would be something to be proud of. The second phase will be around \$100 million and will be mixed use with housing and office space. Their consultant is confident that there will be a significant number of developers who will want to be included in the second phase.

Shanklin questioned if they are talking about retail sales.

Davis stated a significant portion will be retail and mixed use. One component will be to help existing businesses along C Avenue, as a start, on facade improvements.

Shanklin questioned if this was one or several companies.

Davis stated their consultant is just one company, but they will put out RFQ's to developers nationwide and let them compete for our business. Those RFQ's should go out by mid March and out of the developers, RFP's will then be sent out. They hope to have a development agreement signed by the end of October for phase 1A and phase 1B with construction beginning in 2007.

Mayor Purcell stated the City Council still needs to extend the contract.

Givens stated he would like to point out a scrivener's error in the original contract. Section V. 1b should read: Fully document all expenses charged to hotel/motel tax.

Mayor Purcell stated the dollar amount would not change, but only the length of the contract.

Jackson stated the City Council is always ready to assist the Chamber in any endeavor that they undertake. They are very proud of the Chamber and the effort they are making.

MOVED by Givens, SECOND by Drewry, to accept a request from the Lawton Fort Sill Chamber of Commerce and Industry to extend the current contract with the City of Lawton through the end of the 2005-2006 fiscal year, June 30, 2006, and authorize the Mayor and City Clerk to execute the necessary documents. AYE: Patton, Haywood, Warren, Shoemate, Givens, Drewry, Jackson, Shanklin. NAY: None. MOTION CARRIED.

24. Consider rejecting of the annual contract for sludge lagoon cleaning at the Medicine Park Water Treatment Plant (WTP) and direct the City Manager to add personnel and equipment to Street Division's FY 06-07 Budget for lagoon cleaning with in-house resources. Exhibits: Abstract of bids and department recommendation.

Jerry Ihler, Public Works Director, presented slides and described the process of cleaning the lagoons. He stated that if the City is hauling, the Department of Environmental Quality has recently allowed them to take the sludge and use as fill material around Lake Lawtonka in low lying areas. This would provide a much shorter haul than taking to the landfill. He stated that staff did go out to bid. Letters of interest were sent out to three vendors and eleven vendors were sent bid packets. They only received one bid from the contractor that has done it the last couple of years. He said they would still have to have personnel at the site even if a contractor receives the bid.

He stated in the first years budget they are looking at three additional people and two larger twelve yard dump trucks at a cost of \$245,000 (\$96,000 in personnel costs and \$149,000 for two trucks). The subsequent years cost would be \$110,000. There would be about \$150,000 savings in the first two year. In comparing those prices he feels that the City of Lawton would be better off rejecting the contract and authorizing the City Manager to place in the 2006-2007 budget the additional positions and trucks and perform the work in house. He stated there would be significant savings in future years.

Patton questioned if these employees would be working on the lagoons all year long.

Ihler stated the lagoons have to be worked all year long. He stated they will put 10-12 trucks out there at one time for loading and hauling and shorten that time frame. There will be at least two people working out there the majority of the time. With the addition of three new personnel they will increase productivity with hauling asphalt and rock on projects. They will also be asked to cut low hanging limbs at times when they are not working on other projects. The major benefits are the additional savings and also work on other projects.

Shanklin questioned if the contractor had been working out at the lagoons every day.

Ihler stated that the contract specifies he work the cells three to four days a week.

Shanklin questioned if he got paid by the hour.

Ihler stated he gets paid by the ton hauled to the landfill.

Shanklin questioned if we could beat the private sector.

Ihler stated that in this instance, we can beat the private sector.

Shanklin questioned if we take it to the landfill.

Ihler stated we always take it to the landfill. They mix it with dirt at the landfill and use it for cover.

Jackson stated he is concerned that these positions may not be full time. Do these positions need to be part time or temporary. It is a lot of money hiring three new people.

Ihler stated they have plenty of work to keep them busy. They will spend 70-75% of their time working on this process.

Shanklin questioned the cost of the new personnel.

Ihler stated they are looking at one senior equipment operator and two equipment operators. The cost plus benefits would be approximately \$96,800.

Mitchell questioned how much land area do we have at the lake that can be used.

Ihler stated they will be able to haul out to Lake Lawtonka for several years.

MOVED by Drewry, SECOND by Warren, to reject the annual contract for sludge lagoon cleaning at the Medicine Park Water Treatment Plant and direct the City Manager to fund in the FY 06-07 Street Division budget three additional personnel and the purchase of two additional 12 yard dump trucks to handle and haul sludge from the Medicine Park Water Treatment Plant Sludge Lagoons. AYE: Haywood, Warren, Shoemate, Givens, Drewry, Jackson, Shanklin, Patton. NAY: None. MOTION CARRIED.

25. Receive input on the evaluation of the CDBG Section 108 Loan Guarantee Program and provide staff guidance for development of a Section 108 Loan Guarantee Program application and the Consolidated One-Year Action Plan for FFY 2006. Exhibits: HCD memorandum, Subject: Section 108 Loan Guarantee Program, dated January 19, 2006 and 2<sup>nd</sup> Street Streetscape Summary of Preliminary Project Costs.

Tom Aplin, Assistant Director, Housing and Community Development, stated he has provided information in the agenda packet which provides the results of staff's research over the last few months of the Section 108 program. He stated the fight to retain CDBG funding from the federal government will be fought again next year. The CDBG program will continue at risk. Sometime in the future there will be some changes to the CDBG formula that will have an impact on the amount of money that the community can qualify for each year. He stated that the City of San Antonio has a project that was similar to the 2<sup>nd</sup> Street Redevelopment project. It was strictly an infrastructure project. He was told by HUD that they had recommended approval of the loan to San Antonio, but in addition to the pledge of CDBG dollars, they did require San Antonio to provide additional collateral for the loan. He stated that tonight he would like to get a feel if the City Council wishes to pursue a Section 108 loan, because it will impact how staff develops the one year action plan that is submitted to HUD for the 2006 funding allocation. They do need to specify where the money will come from to cover the annual cost of the loan.

Shanklin stated that from the information in the packet, the annual payment would be \$180,000.

Aplin stated that would depend on the amount of the loan that is requested to support this project. With the Section 108 loan, a community can borrow up to five times the amount of their most recently approved award, which means that \$4,442,000 would be the maximum amount the City of Lawton could borrow.

Givens stated that they would not give up the CDBG funding, but it is used as collateral. The loan can be paid back out of the CDBG funds. He stated that LURA started the 2<sup>nd</sup> Street redevelopment project but it may take ten to twelve years to do from Ferris to C Avenue. He thought it was an important enough project to try to locate another source of funding in order to complete most of the project as soon as possible. According to staff, the projects that are not yet funded amount to \$2,224,000. This is even after the state enhancement grant. There are other possible sources other than a Section 108 loan. There could be some funds derived from a TIF. He thinks that CDBG funds should be used because LURA has recently expanded the D-6 area to include up to 4<sup>th</sup> Street, and now includes the area between 2<sup>nd</sup> Street and 4<sup>th</sup> Street and between Ferris and Gore. That piece of land is not in the downtown revitalization plan or the plans of the Chamber of Commerce. He cannot see doing a downtown revitalization and not making an attempt to deal with that section. We can never come up with a project in Lawton where we can say that we made a real difference. We spend the money well, but it is scattered here and there and there has never been a project that we could be proud of. He stated we would only need \$2.1 million and would suggest a 20 year amortization which would be \$158,000 payback each year that could be paid out of CDBG funds. This would mean a 17% reduction across the board in what is being used now. It is a no brainer to borrow \$2 million from the federal government and pay it back with their own money.

Shanklin stated he has a problem with the cost. He questioned the amount of the contract from Gore to Rogers Lane on Flower Mound.

Ihler stated the amount was \$4 million from Gore to Cache for one mile.

Shanklin stated we are talking about \$2.1 million to do eight blocks.

Givens stated that is in phase two, not phases one and three. All three phases are more like \$4 million.

Richard Rogalski, Planning Director, stated that currently the project plan is to overlay the surface of the majority of the streets.

Shanklin stated he read there will be \$800,000 for landscaping from Columbia to C Avenue.

Rogalski stated that landscaping is a significant portion of this project. It is primarily a pedestrian and landscaping enhancement project.

Shanklin questioned who came up with the figures.

Rogalski stated that LURA has hired a consulting engineer, Tetra Tech, to put together the report.

Jackson questioned how this would work in conjunction with the Chamber of Commerce proposed project.

Mitchell stated it fits very nicely with the whole downtown plan and hopefully if there is a developer that is willing to put up \$200 million into our downtown, we might find that 2<sup>nd</sup> Street gets paved through TIF, and we can pay off the loan early. He stated there has been ample representation from the Urban Renewal Authority and they are very close to linking the two proposals together. He stated there are two or three commercial brokers who have been visiting with the City and the Chamber for the last year and a half. They claim that if we could provide them with sites, they would build tomorrow.

Mayor Purcell stated there was an email that caused a major flap over this item. He wants to make sure that everyone understands that of the total amount of CDBG dollars, there is a limit of what the City Council can spend for services, which is 15%. There has not been a suggestion that they would take any of that 15% and use it for this loan guarantee. There was concern by many of the agencies that there would be a big reduction in services. He stated if the City received the same amount of dollars next year as this year, the 15% would be the exact number of dollars as this year and every year into the future.

Aplin stated that is solely up to the City Council discretion. Out of the amount that they have for 2006, that leaves approximately \$133,000 for public service projects, down from \$154,000 last year. He stated the money for the loan program could come from any of the categories.

Mayor Purcell stated that there is great concern that the Council will cut those services.

Jackson stated he does believe that the City Council realizes that the 15% of monies is very important to a lot of agencies and citizens who depend on that money. He does not believe that the City Council would take from that funding unless it was an emergency.

Givens stated that absolutely not next year.

Haywood questioned if this would begin next year.

Givens stated they haven't even applied for it yet. He would not perceive having a payback amount this year.

Haywood questioned if the collateral would be CDBG funds.

Aplin stated it would be used as collateral and would also be used to pay off the loan. HUD could require additional collateral other than those CDBG funds.

Vincent stated if HUD does require additional collateral this may be another issue from a legal standpoint.

Aplin stated to use CDBG funds for 2<sup>nd</sup> Street, they would need about \$2.3 million. At the current rate, that \$2.3 million would cost the City \$182,218 a year for twenty years to pay that loan off.

Givens stated he will be making the motion to approve only \$2 million. The figure for \$2 million is \$158,450.

Annette Dawkins, Executive Director of Northside Chamber of Commerce, thanked the City Council for giving an assurance to those public service programs, but the Northside Chamber of Commerce is covered under economic development funding. She did not hear an assurance that the Council would look favorably on those economic development funds. She would assume that they would still be a part of funding, particularly since this will give individuals within Lawton an excellent opportunity to be tenants within those areas. She would like to hear that assurance with that portion of CDBG funding.

Mitchell stated they would have a greater concern about the program at the federal level than at the local level. If they are concerned about future funding for economic development, they should be talking to U.S. Representatives and Senators.

Patton asked if this was a fixed rate once it is approved.

Aplin stated there are several different approaches to take. If the plan is to pay the loan off very quickly, they could set it up where you pay several years at a variable loan, then it becomes a fixed rate.

Givens stated if the interest is low now, they should go ahead and do it now.

MOVED by Givens, SECOND by Drewry, to direct Community Development staff to pursue a Section 108 Loan Guarantee Program application in the amount of \$2 million, with a twenty year amortization period. AYE: Warren, Shoemate, Givens, Drewry, Jackson, Shanklin, Patton, Haywood. NAY: None. MOTION CARRIED.

26. Consider adopting a Resolution declaring the intent to consider approval of a project and creation of a Tax Increment Financing (TIF) District under the Local Development Act; direct preparation of a project plan; appoint a review committee; direct the review committee to make findings as to eligibility and financial impact on taxing jurisdictions within the district; direct the review committee to make a recommendation with respect to the proposed project and authorize the Mayor and City Clerk to execute the documents necessary. Exhibits: Resolution of Support 06-\_\_\_\_. Legal Consulting Services Agreement, Center for Economic Development Law, Approved by LURA January 13, 2006. Considerations & Procedures for Creating a TIF District. Checklist of Information Needed for Formulation of Project Plan. Proposed Timeline for City of Lawton TIF District, Memo dated January 10, 2006. Proposed Boundary & Land Use Map.

Mitchell stated this is the companion item to the previous discussed item on the Section 108 loan program. If they are very successful in organizing a TIF District and getting a commercial development started, they won't have to worry about repaying the loan. This is an enabling resolution. At the LURA meeting on January 13<sup>th</sup>, they engaged the services of a law firm from Oklahoma City who has extensive experience with TIF projects in Bricktown and they helped rewrite the TIF legislation that was enacted two years ago that allowed us to issue 15-20 year bonds for this type of project. The first step would be to develop the review committee who would meet in the next 90-100 days to develop a plan and present that back to the City Planning Commission and the City Council for their approval.

Patton requested Mitchell summarize what a TIF means.

Mitchell stated TIF is an acronym for Tax Increment Financing and there can be an advalorem district or sales tax district. Staff is recommending advalorem tax TIF district. In an advalorem tax TIF district, you would set the floor at the current value of a piece of property. If there are 8, 10 or 12 blocks of property that you include in this district, you set that value at its current assessed rate. As improvements are made within that boundary, you capture the increased value in advalorem taxes and the collection of those taxes to use to finance projects within the boundaries of that TIF district. You are basically asking the other taxing entities in the community to forego the increase during that period of time and at that the end they start capturing the increased value. Staff met with the taxing entities and conceptually they are all on board with the concept. As part of the review committee responsibility, they would develop a financing plan and try to determine what the rate would be over 5, 10, or 15



years.

Givens clarified that they can project that amount and bonds can be issued based on those projections.

Vincent stated the composition of the committee is set by statute.

Mayor Purcell suggested that Councilmember Givens represent the City Council on the review committee. He will also serve as the chairman. The committee will consist of representatives from the City Planning Commission, Lawton Public Schools, Comanche County and one from Great Plains Area Vo-Tech. Those members will select three ordinary citizens to sit on the committee.

Jackson stated that this is a very exciting time in the city of Lawton. What an effort made to revitalize an area of downtown Lawton and that we are taking advantage of such creative financing that will not break the backs of the taxpayers. He is very excited about all the efforts by the Chamber and the City of Lawton.

MOVED by Shanklin, SECOND by Patton, to adopt **Resolution No. 06-30** declaring the intent to consider approval of a project and creation of a Tax Increment Financing (TIF) District under the Local Development Act; direct preparation of a project plan; appoint a review committee with Councilmember Rex Givens serving as Council representative; direct the review committee to make findings as to eligibility and financial impact on taxing jurisdictions within the district; direct the review committee to make a recommendation with respect to the proposed project and authorize the Mayor and City Clerk to execute the documents necessary. AYE: Shoemate, Givens, Drewry, Jackson, Shanklin, Patton, Haywood, Warren. NAY: None. MOTION CARRIED.

27. Consider an ordinance amending Section 21-5-503, Article 21-5, Chapter 21, Lawton City Code, 2005, by setting minimum provisions for installing utilities, providing for severability and declaring an emergency. Exhibits: Ordinance 2006-\_\_.

Vincent stated in order to facilitate the work of the utility department and lessen the claims against the City, staff is recommending that there is a minimum depth, whether it be a drop or a major service line, located in a street right of way or city easement and that it be a minimum of 30 in depth.

Shanklin questioned if this was on easements that have been declared 25 .

Vincent stated on the easements that have been declared 25 , staff is also requiring that we have a schematic in the City Code that says where each utility will go.

MOVED by Warren, SECOND by Haywood, to adopt **Ordinance No. 06-04**, waive the reading of the ordinance, read the title only and declare an emergency. AYE: Drewry, Jackson, Patton, Haywood, Warren, Shoemate. NAY: None. ABSENT: Givens, Shanklin. MOTION CARRIED.

(Title read by City Attorney) Ordinance 06-04

An ordinance pertaining to subdivisions amending Section 21-5-503, Article 21-5, Chapter 21, Lawton City Code, 2005, by setting minimum provisions for installing utilities, providing for severability and declaring an emergency.

28. Consider receiving a report on the City s financial condition for the first six months of fiscal year 2005-2006. Exhibits: None.

Rick Endicott, Finance Director, stated that a City Councilmember requested a column be added to show the percentage of revenue that was collected compared to the budget for the previous year. He stated the sales tax is at 50% and the overall general revenue is at 51.08%. Water revenue has done fairly well at this point compared to the budget, collecting 55%. He made note that when the City of Lawton approved the budget, eleven months of hotel/motel tax was approved. By law we could not go beyond May 30<sup>th</sup>. The budgeted number is for eleven months. The Chamber of Commerce actually budgeted for twelve months.

Mayor Purcell questioned what was their budgeted amount?

Endicott stated the Chamber has \$780,000 for the year.

Patton questioned what were the auditing procedures for the hotel/motel tax. Do we have someone checking these figures with the hotels on a regular basis?

Endicott stated the auditor has gone out and done sample audits to some of the hotels in the last six months.

Mitchell stated they did sample audits to some of those that looked strange. The outcome was not significant.

Mayor Purcell stated that staff will need to do a supplemental to up that number to cover twelve months instead of eleven.

Endicott stated that is correct. They will need to make some adjustment for the twelfth month.

Mitchell stated some carryover was also allocated.

Endicott stated there is a carryover from year to year and those numbers are included in the budgeted number.

Shanklin questioned if the Chamber gets all the money that is collected.

Givens stated for a long time the money that went to the museum from hotel/motel tax was paid out of the previous year's surplus for the current year budget.

Mitchell stated this year in the Chamber's contract, we allowed them to take all the carryover.

Vincent stated under Section 11, paragraph B1, we must give the Chamber written notice if we are not receiving sufficient funds from the hotel/motel tax to fund the budget.

Endicott stated we are at 46% on the expenditure side in general fund and 50% on enterprise fund. Currently the petroleum costs are at 64%. We are in the same situation with gas and electric costs. A budget amendment will probably be brought to the City Council at the end of February. They are looking at significant costs in chemicals for the wastewater and water treatment plants. He does not believe we will make it to the end of March.

Mitchell stated he would like to point out that over the first six months we have collected \$130,000 in impact fees. If this keeps pace, we will have \$250,000 or \$260,000 a year and we might be able to fund a project.

29. Consider conducting a general discussion regarding the terms and conditions of the City of Lawton's contractual arrangement with the Lawton Fort Sill Chamber of Commerce and Industry for the expenditure of public funds for the Hotel/Motel Tax revenues and the Santa Shops Lawton Program covering FY 2005-2006 and take appropriate action as deemed necessary. Exhibits: Letter to Dana Davis, Chamber of Commerce, dated January 6, 2006. Attorney General Opinion No. 86-26 (10-6-86). Copy of Article X, 17, State Constitution. Santa Shops Lawton Financial Report 2005-2006

This item was stricken.

30. Discuss City Council desire to schedule a workshop to discuss drought issue and set goals, give guidance to staff and take appropriate action, if necessary. Exhibits: None.

Shanklin discussed an article out of the Dallas Morning News dated January 13, 2006 which includes Lawton in an area of drought. We may not have any rainfall of any consequence through June. If this does occur, are we going to wait until our water gets lower. Historically we sell all the water we can sell. He requested the City Council schedule a workshop to discuss this subject.

Mayor Purcell stated that on March 7<sup>th</sup>, Mike Crawford is scheduled to come to Lawton and meet with the City Council for a budget workshop. He questioned if they could also discuss this item at that same workshop.

Shanklin stated he had no problem scheduling this discussion on March 7<sup>th</sup>. He stated Council members need to be thinking about water rationing and how they will deal with a budget shortfall.

Vincent stated last year the City Council did pass a water conservation ordinance. He stated the following day he is attending the Oklahoma Municipal Utility Providers conference and will be discussing the formation of a drought management committee to make recommendations to municipalities. He has been asked to be a member of the committee, but he will not volunteer his services unless the Council says yes.

Mayor Purcell stated we have about 3 more feet before we must issue mandatory rationing.

Vincent stated that right now we are in voluntary water rationing.

#### REPORTS: MAYOR/CITY COUNCIL/CITY MANAGER

Jackson stated we are having a considerable amount of wildfires in the area and he had a call questioning the City of Lawton's policy regarding answering calls for wildfires outside in rural communities and outside of Comanche County.

Chief Bart Hadley, Lawton Fire Department, stated they must consider what they can do legally and try to do what

is right. They want to help our neighbors as much as they can. The Lawton Fire Department has entered into a number of mutual aid agreements with some of the surrounding volunteer departments and also with Comanche County. If an agency needs help, they can request it through that mutual aid agreement. The priority is the citizens of Lawton, but it is very rarely that they cannot help out one of those volunteer departments.

Shanklin questioned if they kept track of the man hours and equipment used so those in the county would know what was funded. He questioned if we were able to help Fort Sill with the recent fires.

Hadley stated yes.

Jackson stated he believes that we are required to follow some state statutes when these requests come in.

Vincent stated there are six conditions when we can response outside the city limits. The primary one says that we can provide fire protection for persons and property outside the corporate limits provided that said fire protection has been authorized by the governing body of the municipality. We do this through mutual aid agreements. All of these agreements have been approved by the City Council.

Patton stated the Great Plains Chapter of AMBUCS will have a fundraiser on February 17<sup>th</sup> at Fire Mountain Grill from 6:30 a.m. to 9:00 a.m. He has tickets for \$10.

Warren stated he agreed with Mr. Jackson in that this is an exciting time to live in Lawton. There is a different attitude in people you see day to day.

Mitchell stated the Lawton Urban Renewal Authority will have a public hearing at 5:00 p.m. on Friday evening, January 27<sup>th</sup> in the City Council Chambers to review the land use plan and the property boundary changes for the downtown urban renewal project areas.

Mayor Purcell reminded members that there will be a swearing in ceremony on March 6<sup>th</sup> at 9:00 a.m. and a workshop scheduled for March 7<sup>th</sup> at 6:00 p.m.

The Mayor and Council convened in executive session at 8:50 p.m. and reconvened in regular, open session at 9:35 p.m. Roll call reflected all members present.

#### BUSINESS ITEMS: EXECUTIVE SESSION ITEMS

31. Pursuant to Section 307B.4, Title 25, Oklahoma Statutes, consider convening in executive session to discuss a pending tort claim by Larry K. Standridge and take action in open session as necessary. Exhibits: None

Vincent read the title of item 31 shown above. He said the Council did receive a briefing on the claim. No action is required.

32. Pursuant to Section 307B.1, Title 25, Oklahoma Statutes, consider convening in executive session to discuss the evaluation review of Michael Corrales, Municipal Judge, and if necessary, take appropriate action in open session. Exhibits: None

Mayor Purcell read the title of item 32 shown above. He said that Judge Corrales has been doing an outstanding job. The City Council did ask the Judge to get with the City Attorney and come up with a policy concerning community service involving those guilty of littering. He has been asked to establish a policy before his next evaluation.

#### ADJOURNMENT

There being no further business to consider, the meeting adjourned at 9:40 p.m. upon motion, second and roll call vote.

/s/ John P. Purcell, Jr.  
JOHN P. PURCELL, JR., MAYOR

ATTEST:

/s/ Traci L. Hushbeck  
TRACI HUSHBECK, CITY CLERK

#### ADJOURNMENT